

TO: Interested Constituents

FROM: Doug Ellis
Director of Public Outreach

DATE: July 28, 2000

SUBJECT: Stakeholder Meeting on Rule Making and Agency Request Legislation

At the July 25, 2000 regular meeting of the Public Disclosure Commission the Commission members requested staff to proceed with rule making on eleven issues. Three are new rules and eight are amendments to existing rules. Staff will be filing pre-proposal statements of inquiry (CR 101) on the proposed rules with the Code Reviser on or before August 2, 2000.

PDC staff will hold a "Stakeholder Meeting" to seek public comment on the proposed rule making topics and to give all interested persons an opportunity to participate in the process. At that same time PDC staff will seek public comment on potential agency request legislation for 2001.

Stakeholder Meeting

Date: Wednesday, August 9, 2000

Location: Public Disclosure Commission
711 Capitol Way Room 206
Olympia, WA 98504

Time: 9 a.m. to 12 Noon

Outlined below are the issues that will be discussed at the August meeting. If you have an interest in one or more of these topics please attend the meeting or provide written information to my attention prior to the August 22, 2000 Commission meeting.

Your participation in this process is greatly appreciated.

New Rules

Goals Regarding Access to Campaign and Lobbying Reports: Senate Bill 6775 sets out new public access goals for 2001 and 2002. The bill directs the Commission to adopt the access goals in rule.

Reporting of Field Trips and Other Excursions: At the April 25, 2000 meeting, the Commission adopted PDC Interpretation 00-01 (copy enclosed) effective July 1, 2000. The Commission will proceed with formal rule-making with respect to the interpretation.

Commercial Loans to Candidates and Candidate Committees: On July 15, 1996 the Commission adopted PDC Interpretation 96-02 on Commercial Loans to a Candidate (copy enclosed). The Commission will proceed with formal rule making on this issue.

Rule Amendments

WAC 390-24-010 Forms for Statement of Financial Affairs and WAC 390-24-020 Forms for Amending Statement of Financial Affairs. The Commission will proceed with changes to Forms F-1 and F-1A which eliminate the need for filers to identify dependent children who are not employed and do not have other reportable assets or liabilities. Other possible changes to the F-1 and F-1A forms may be identified through the rule making process (copies enclosed).

WAC 390-18-010 Political Advertising. Identification of Sponsor. In 1995, the State Legislature changed the language in RCW 42.17.510 and eliminated the need for sponsor identification to be in a printed or drawn box and to have the sponsor identification appear on each page of the advertising. The rule amendment would mirror this 1995 statutory language. The Commission also wants to consider adopting one or more rules to emphasize that the political advertising provisions in RCW 42.17.505 through .550 apply to political advertising appearing on the Internet.

WAC 390-13-010 Optional Format for Requests for Lists of Individuals. This proposed amendment is to eliminate the hold harmless agreement section for affidavits from persons making requests for public records containing lists of individuals. It has been brought to staffs' attention by the Attorney General's Office that a public agency may not seek a hold harmless agreement from a requester of public records (copy enclosed).

WAC 390-16-011 and WAC 390-16-012 Registration Statements for Political Committees and Candidates. The proposed amendments would adopt the language of the recently approved emergency rules on a permanent basis (copies enclosed).

WAC 390-16-044 Statewide ballot issue signature gathering expenses; reporting.

Consistent with the 9th Circuit Court of Appeals decision in (WIN) Washington Initiatives Now v. Vicki Rippie, the Commission will consider repealing the rule (copy enclosed) since both statutory language in RCW 42.17.090(1)(g) and the rule have been found to violate the First Amendment.

WAC 390-20-010 Forms for Lobbyist Registration. The Commission will consider including e-mail address, business phone number and cell phone number on the Lobbyist Registration (PDC form L-1) and will encourage the use of business addresses and telephone numbers (copy enclosed).

Possible Agency Request Legislation

The Commission at the July 25, 2000 meeting expressed an interest in pursuing agency request legislation in three areas.

Last Minute Special Reporting: Require that independent expenditures (IEs) of \$1,000 or more made within 21 days prior to an election be reported within 24 hours. Require that reports of IEs be accompanied by an affidavit or declaration stating that the expenditures were not made in conjunction, cooperation or consultation with the candidates who are benefited.

In RCW 42.17.105(1), increase the \$500 threshold for last minute special reporting of contributions to \$1,000.

Commission Enforcement Authority: A proposed measure would cover a number of enforcement topics.

1. Increase penalty authority of the Commission from \$1,000 to \$4,000 for single violation and from \$2,500 to \$10,000 for multiple violations;
2. Allow the courts and PDC to order the return of contributions that exceed limits;
3. Allow the courts and PDC to order candidates and officers of political committees to pay penalties from their personal funds in cases of intentional violations;
4. Allow the courts and PDC to order public agency officials/employees to pay penalties from their personal funds;
5. Prohibit candidates, political committees, lobbyists, and lobbyist employers who have not paid their PDC fines from raising and spending money; and

6. Require persons who wish to file a citizen's action to notify PDC, as well as the attorney general and prosecutor, and to give PDC, AG and prosecutor 120 days instead of 45 days within which to act, and to provide that if the citizen wins in court, the defendant, rather than the state (PDC), is liable for the citizen's costs and attorney's fees.

Housekeeping Measure: A proposed measure would eliminate or amend sections of chapter 42.17 RCW.

1. Amend, repeal or relocate to .640, the definition of "General Election" in RCW 42.17.020(21).
2. Amend or repeal language regarding disclosure of signature gathering expenses in RCW 42.17.090(1)(g) – US Court of Appeals for the Ninth Circuit; Case No. 98-35412, filed 5/25/2000.
3. Lobbyist Pictorial Directory: Repeal requirement from PDC law or eliminate requirement that agency publish booklet, thus allowing agency to use the Internet as sole means for publishing this information.
4. Repeal RCW 42.17.380(1) re designating the secretary of state's office as the place where PDC forms may be filed.
5. Repeal RCW 42.17.700, Contributions before December 3, 1992.

Staff will provide draft language at the August 9, 2000 meeting on the issues mentioned above. We expect to bring draft language for initial approval to the August 22, 2000 Commission meeting.

Thank you for your interest and we will look forward to seeing you at the meeting on Wednesday, August 9, 2000.